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DEPARTMENT OF COMMERCE

International Trade Administration

(C-570-917)

Laminated Woven Sacks from the People's Republic of China: Continuation of Countervailing Duty Order

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: As a result of the determinations by the Department of Commerce (the Department) and the International Trade Commission (the ITC) that revocation of the countervailing duty (CVD) order on laminated woven sacks from the People's Republic of China (PRC) would likely lead to a continuation or recurrence of net countervailable subsidies and material injury to an industry in the United States, the Department is publishing a notice of continuation of the CVD order.

EFFECTIVE DATE: (Insert date of publication in the Federal Register)

FOR FURTHER INFORMATION CONTACT: Toni Page or Jacqueline Arrowsmith, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230; telephone (202) 482-1398 and (202) 482-5255, respectively

SUPPLEMENTARY INFORMATION:

Background

On July 1, 2013, the Department initiated a sunset review of the order, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act)¹ and 19 CFR 351.218(c). As a result of its review, the Department determined that revocation of the order on laminated woven sacks from the PRC would likely lead to a continuation or recurrence of net countervailable subsidies and, therefore, notified the ITC of the magnitude of the margins likely to prevail should the order be revoked.² On March 18, 2014, the ITC published its determination pursuant to section 751(c) of the Act that revocation of the CVD order on laminated woven sacks from the PRC would lead to a continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.³

Scope of the Order

The merchandise covered by this order is laminated woven sacks. Laminated woven sacks are bags or sacks consisting of one or more plies of fabric consisting of woven polypropylene strip and/or woven polyethylene strip, regardless of the width of the strip; with or without an extrusion coating of polypropylene and/or polyethylene on one or both sides of the fabric; laminated by any method either to an exterior ply of plastic film such as biaxially-oriented polypropylene (BOPP) or to an exterior ply of paper that is suitable for high quality print graphics; "Paper suitable for high quality print graphics," as used herein, means paper having an ISO brightness of 82 or higher and a Sheffield Smoothness of 250 or less. Coated free sheet is an example of a paper suitable for high quality print graphics printed with three colors or

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¹ See Initiation of Five-Year ("Sunset") Reviews, 78 FR 39256 (July 1, 2013).

² <u>See Laminated Woven Sacks From the People's Republic of China: Final Results of the Expedited Sunset Review of the Countervailing Duty Order</u>, 78 FR 69369 (November 19, 2013).

³ <u>See Laminated Woven Sacks from China</u> (Investigation Nos. 701-TA-450 and 731-TA-1122 (Review), 79 FR 15140 (March 18, 2014)).

more in register; with or without lining; whether or not closed on one end; whether or not in roll form (including sheets, lay-flat tubing, and sleeves); with or without handles; with or without special closing features; not exceeding one kilogram in weight. Laminated woven sacks are typically used for retail packaging of consumer goods such as pet foods and bird seed.

Effective July 1, 2007, laminated woven sacks are classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 6305.33.0050 and 6305.33.0080.

Laminated woven sacks were previously classifiable under HTSUS subheading 6305.33.0020. If entered with plastic coating on both sides of the fabric consisting of woven polypropylene strip and/or woven polyethylene strip, laminated woven sacks may be classifiable under HTSUS subheadings 3923.21.0080, 3923.21.0095, and 3923.29.0000. If entered not closed on one end or in roll form (including sheets, lay-flat tubing, and sleeves), laminated woven sacks may be classifiable under other HTSUS subheadings including 3917.39.0050, 3921.90.1100, 3921.90.1500, and 5903.90.2500.

If the polypropylene strips and/or polyethylene strips making up the fabric measure more than 5 millimeters in width, laminated woven sacks may be classifiable under other HTSUS subheadings including 4601.99.0500, 4601.99.9000, and 4602.90.000. Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

CONTINUATION OF THE ORDER

As a result of the determinations by the Department and the ITC that revocation of the CVD order would likely lead to a continuation or recurrence of net countervailable subsidies and material injury to an industry in the United States, pursuant to section 751(d)(2) of the Act and 19 CFR 351.218(a), the Department hereby orders the continuation of the CVD duty order on

laminated woven sacks from the PRC. U.S Customs and Border Protection will continue to

collect countervailing duty cash deposits at the rates in effect at the time of entry for all imports

of subject merchandise. The effective date of the continuation of the order will be the date of

publication in the Federal Register of this notice of continuation. Pursuant to section 751(c)(2)

of the Act and 19 CFR 351.218(c)(2), the Department intends to initiate the next five-year

review of the order not later than 30 days prior to the fifth anniversary of the effective date of the

continuation.

The five-year sunset review and this notice are in accordance with section 751(c) of the

Act and published pursuant to section 777(i)(1) of the Act and 19 CFR 351.218(f)(4).

Paul Piquado

Assistant Secretary

for Enforcement and Compliance

_March 20, 2014_____

Date

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